

## Department of Justice

FOR IMMEDIATE RELEASE WEDNESDAY, DECEMBER 17, 1997

AΤ

(202) 616-2771 TDD (202) 514-1888

## FRENCH COMPANY AGREES TO PAY \$2.5 MILLION FINE FOR PARTICIPATING IN INTERNATIONAL PRICE FIXING CONSPIRACY

WASHINGTON, D.C. -- A French chemical company, Roquette Freres, has agreed to plead guilty and pay a criminal fine of \$2.5 million for participating in an international conspiracy to fix prices and allocate sales worldwide for an industrial cleaner called sodium gluconate, the Justice Department said.

The company's commercial director, a French citizen, has also been charged for his part in the conspiracy.

Today's case, filed in U.S. District Court in San Francisco, is the fourth filed in the sodium gluconate industry, and the latest in a string of international conspiracy cases filed by the Department's Antitrust Division over the past year. The Department's ongoing international conspiracy investigations have resulted in fines totaling over \$220 million within the past year.

"These cases strongly demonstrate the Department's priority to prosecute international white-collar and corporate crimes and to protect American consumers from paying higher prices for a variety of products," said Joel I. Klein, Assistant Attorney General in charge of the Department's Antitrust Division.

Sodium gluconate is used as an industrial cleaner of metal and glass with applications such as bottle washing, food service

and utensil cleaning, food process equipment cleaning, and paint removal. It is a \$50 million a year industry worldwide.

According to the charges, Roquette executives participated in a conspiracy with other major sodium gluconate-producing firms to suppress and eliminate competition in the sodium gluconate market from August 1993 until June 1995.

Bertrand Dufour, a French citizen and the company's commercial director, has also agreed to plead guilty and pay a \$50,000 criminal fine for his role in the international sodium gluconate conspiracy.

The Department charged that Dufour met with his coconspirators to set the prices and allocate the share of the sodium gluconate market that each participating firm could have.

"The sodium gluconate cases resulted from the continuing expansion of the Antitrust Division's investigations into international markets," said Gary R. Spratling, Deputy Assistant Attorney General for Criminal Enforcement. "The Division expects more prosecutions in other international industries in future months."

The single-count felony information charges that Roquette and Dufour:

- Agreed to charge sodium gluconate prices at certain levels and to increase those prices accordingly;
- Agreed to allocate among the corporate conspirators the market shares of sodium gluconate that each participating firm could sell;
- Issued price announcements and price quotations in accordance with the agreements; and,

 Participated in meetings and conversations for the purpose of monitoring and enforcing adherence to the agreed-upon prices and market shares.

As part of their plea agreements, which must be accepted by the court, Roquette and Mr. Dufour have agreed to cooperate in Department's ongoing investigation.

Today's cases are the result of an investigation conducted by both the Federal Bureau of Investigation in San Francisco and the San Francisco Field Office of the Antitrust Division.

###

97-536